

28 January 1955

MEMORANDUM FOR: Chief, E/C  
                  Attn: [REDACTED] 25X1A9a  
FROM : [REDACTED] 25X1A9a  
SUBJECT : EDIC/XICON Reference Desk Report for January 1955

Summary - The Economic Defense Intelligence Committee held one meeting during January which considered: IWO/R-16, "External Financial Operations of the Soviet Bloc"; criteria involved in reconsideration of the China List; dissemination of EDAC "information documents"; and, status of the surveillance list of decontrolled commodities. The Executive Secretary, EDIC, was primarily occupied during the month on administrative and procedural matters and made a survey in connection with the proposed downgrading of CO/COCOM/CHINCOM documents. The XICON Reference Desk continued to card and assemble these documents, processed over 700 cables and dispatches, and provided continuing reference service to the Division.

EDIC Accomplishments - The Acting Chairman of EDIC reported on Executive Committee decisions relative to implementation of recommendations in IWO/R-16. He declared it is the CIA view that no new single unit should be established to carry out priorities for work in this field and that an EC statement of such priorities is now required. Further EDIC work is deferred pending receipt of such a statement.

The Acting Chairman requested EDIC comments on the ORR paper of 14 January 1955 - "ORR/CIA Views Concerning the Reconsideration of International Trade Controls Against Communist China." There was an exchange of ORR and OIR views on this subject. It was the sense of the meeting that the request of the Executive Committee for a coordinated paper had not been met. It was agreed that, in view of pending developments on the matter, EDIC should await further instructions from the EC before attempting a coordinated paper on the problem in question.

At a previous EDIC meeting a question was raised as to the value of EDAC distribution of "information documents" which frequently resulted in an expenditure of time by the intelligence community in their evaluation. At the January meeting members approved an EDAC proposal that a distinct series of EDAC documents be used for the circulation of unclassified news articles and related material in the field of East-West trade. Arrangements are to be made between the executive secretaries of EDAC and EDIC for the evaluation of specific documents if they are considered of sufficient importance to warrant such treatment.

EDIC was advised that a short list of decontrolled commodities had been prepared by FOA for JOC consideration. This list, prepared for purposes of surveillance control, was published during the month as JOC Document No. 54, Supplement 2. It is expected that the responsible

EDIC subgroup will next undertake to establish procedures and to allocate agency responsibility for tracing the movement of such commodities.

Members were requested to approve or comment on EDIC/AM-4, Statement on Distribution of Current Economic Defense Intelligence to Action Agencies. This paper concludes that satisfactory arrangements existed prior to the EDIC inquiry for distribution of current economic defense intelligence (both of enforcement and non-enforcement nature) to most action and policy agencies, and that as a result of this inquiry MDAO has taken steps necessary to obtain such information from the three military services.

Other Activities of Executive Secretary - In addition to arranging the above meeting, the Executive Secretary submitted written comments on the draft of NIE 100-55, "Controls on Trade with Communist China"; assisted in reviewing an Agency directive on "Control of Dissemination and Use of Intelligence and Intelligence Information"; prepared a quarterly report of EDIC activities; participated in briefing a member of the [redacted] and completed necessary papers in connection with nomination to attend one of the senior service schools.

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EXCON Reference Desk Activities - The Desk continued to accumulate and index documents for purposes of the COCOM downgrading project. A progress report was submitted which described the documents involved, suggested tentative criteria for determining document classification, reported the results of a sampling of documents, and recommended the establishment of an Agency panel to further study the matter.

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[redacted]

**Distribution**

Orig - addressees

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